

STATEMENT OF REPRESENTATIVE EDWARD J. MARKEY
(D-MA)
HOUSE FLOOR DEBATE ON S.5, CLASS ACTION
LEGISLATION
THURSDAY, FEBRUARY 17, 2005

Mr. Speaker, I rise in opposition to S. 5 and in support of the Democratic Substitute.

Following the Senate vote on the Republican Class Action bill, the Wall Street investment firm Smith Barney issued the following FLASH ALERT to its investors:

“The Senate just passed a bill 72-26 which is designed to funnel class-action suits with plaintiffs in different states out of state courts and into the federal court system, which is typically much less sympathetic to such litigation.

“The practical effect of the change could be that many cases will never be heard given how overburdened federal judges are, which might help limit the number of cases....

Smith Barney advised its clients that this bill would be “positive in general for the tobacco industry” and that “tobacco stocks have rallied on this favorable news given that this bill could have a positive effect on tobacco litigation.”

Smith Barney goes on to predict that “Obviously President Bush has been a big proponent of this type of legislation so we would assume that he would sign it as part of a broader fight that he hopes will lead to limits on awards in asbestos cases and to caps on pain-and-suffering awards in medical malpractice cases”

So, that is the word on the Street about this bill. From the Big Tobacco Companies who face liability for lying and concealing the

effects of smoking, to the Big oil companies that have contaminated ground water in New England, California, and elsewhere with MTBE, to the asbestos companies – the word is going out that this legislation will help shut off the ability of those who have been harmed to seek redress for that harm.

That may be good news for those who invest in the stocks of those companies, but it is bad news for ordinary Americans who have been harmed by tobacco, poisoned with MTBE in their drinking water, or asbestos in their lungs.

I urge defeat of S. 5, and I urge support for the Democratic Substitute.